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U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

<p>1. Name of conveying party(ies): American Ref-Fuel Company</p> <p><input type="checkbox"/> Individual(s) <input type="checkbox"/> Association <input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Partnership <input checked="" type="checkbox"/> Corporation-State <input type="checkbox"/> Other _____</p> <p>Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>2. Name and address of receiving party(ies) Name: Wachovia Bank, National Association Internal Address: _____ Street Address: 21 South Street City: Morristown State: NJ Zip: 07690</p> <p><input type="checkbox"/> Individual(s) citizenship _____ <input type="checkbox"/> Association _____ <input type="checkbox"/> General Partnership _____ <input type="checkbox"/> Limited Partnership _____ <input type="checkbox"/> Corporation-State _____ <input checked="" type="checkbox"/> Other: National Bank</p> <p>If assignee is not domiciled in the United States, a domestic representative designation is attached: <input type="checkbox"/> Yes <input type="checkbox"/> No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>3. Nature of conveyance: <input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input checked="" type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Other _____</p> <p>Execution Date: _____</p>	<p>4. Application number(s) or registration number(s): A. Trademark Application No.(s) _____ B. Trademark Registration No.(s) <u>1,608,572</u></p> <p>Additional number(s) attached <input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>5. Name and address of party to whom correspondence concerning document should be mailed: Name: Susan Harrison Internal Address: King & Spalding Street Address: 1185 Avenue of the Americas City: New York State: NY Zip: 10036</p>	<p>6. Total number of applications and registrations involved: 1</p> <p>7. Total fee (37 CFR 3.41).....\$ _____ <input checked="" type="checkbox"/> Enclosed <input type="checkbox"/> Authorized to be charged to deposit account</p> <p>8. Deposit account number: _____</p>
DO NOT USE THIS SPACE	
<p>9. Signature.</p> <p><u>Liam Robert E. O'Neil</u> <u>Margaret E. O'Neil</u> <u>5-8-03</u> Name of Person Signing Signature Date</p> <p style="text-align: right;">Total number of pages including cover sheet, attachments, and document: </p>	

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All documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

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REEL: 002735 FRAME: 0951

AMENDED AND RESTATED PLEDGE AGREEMENT

AMENDED AND RESTATED PLEDGE AGREEMENT, dated as of May 1, 2003 (this "*Agreement*"), between AMERICAN REF-FUEL COMPANY, a Delaware corporation (the "*Grantor*"), and WACHOVIA BANK, NATIONAL ASSOCIATION, as collateral agent (the "*Collateral Agent*") for the Secured Parties (as defined below).

PRELIMINARY STATEMENTS

(1) American Ref-Fuel Company LLC (the "*Borrower*"), certain of its subsidiaries and certain lenders and letter of credit banks have previously entered into a \$325,000,000 credit agreement, dated as of April 30, 2001 (the "*Original Credit Agreement*"). Pursuant to a Pledge Agreement, dated as of April 30, 2001 (the "*Original Pledge Agreement*"), made by the Borrower to Citibank N.A., as collateral agent (the "*Exiting Collateral Agent*"), the Borrower assigned and pledged to the Exiting Collateral Agent, for the benefit of the secured parties named therein a security interest in, and lien on, certain property of the Borrower in order to secure certain obligations described therein relating to the Original Credit Agreement. Pursuant to certain other Security Documents (as defined in the Original Credit Agreement and, together with the Original Pledge Agreement, referred to hereinafter as the "*Original Security Documents*"), certain Subsidiaries of the Borrower also assigned and pledged to the Exiting Collateral Agent, for the benefit of the secured parties named therein, a security interest in, and lien on, certain property of such Subsidiaries in order to secure certain obligations described therein relating to the Original Credit Agreement (the property subject to the security interests and liens created by the Original Pledge Agreement and such other Security Documents being the "*Original Collateral*").

(2) The Borrower has entered into an Amended and Restated Credit Agreement, dated as of the date hereof (as it may hereafter be amended, modified, extended or restated from time to time, the "*Credit Agreement*"), with Citicorp North America, Inc., as administrative agent (the "*Administrative Agent*"), Citibank, N.A., as sub-agent (the "*Sub-Agent*"), the banks party thereto (the "*Lenders*"), and Fleet National Bank, as a letter of credit bank (together with any other letter of credit bank under the Credit Agreement, the "*LC Banks*"), pursuant to which the terms of the Original Credit Agreement have been amended and restated on the terms set forth in the Credit Agreement. In connection with the consummation of the transactions contemplated by the Credit Agreement (i) certain security interests in, and liens on, the Original Collateral granted pursuant to the Original Security Documents have been released and (ii) the Sub-Agent has been appointed by the Administrative Agent under the Credit Agreement to hold and maintain the Original Collateral consisting of the Cash Collateral Account and the Debt Service Reserve Account (in each case, as defined in the Original Credit Agreement), which have been pledged by the Grantor to secure the obligations of the Grantor under the Credit Agreement and any promissory notes issued thereunder (the Original Collateral not subject to any such release, or consisting of the Cash Collateral Account or the Debt Service Reserve Account, being the "*Remaining Collateral*").

(3) The Borrower has entered into an Indenture, dated as of May 1, 2003 (the "*Original Indenture*"), with Wachovia, as trustee (the "*Trustee*"), pursuant to which the Borrower is issuing \$275,000,000 in aggregate principal amount of notes on the Closing Date

and may from time to time issue additional notes to noteholders (the "*Noteholders*") entitled to share in the Collateral (as defined in Section 2 of this Agreement) under one or more series supplemental indentures (collectively with the Original Indenture, the "*Indenture*") to the Original Indenture (together, the "*Notes*" and, collectively with the Indenture, the "*Note Documents*"; the Note Documents, collectively with the Credit Agreement and any promissory notes issued thereunder, the Collateral Agency and Intercreditor Agreement, dated as of the date hereof (as it may hereafter be amended, modified or supplemented from time to time, the "*Intercreditor Agreement*"), among the Administrative Agent, the Trustee and the Collateral Agent, and this Agreement, the "*Financing Documents*").

(4) In connection with the consummation of the transactions contemplated by the Credit Agreement and the Indenture, the Borrower, Citibank N.A., as exiting collateral agent (the "*Exiting Collateral Agent*") and the Collateral Agent have entered into an Amended and Restated Security Agreement, Pledge and Assignment, dated the date hereof (the "*Security Agreement*"), to effect the assignment by the Exiting Collateral Agent to the Collateral Agent of all right, title and interest of the Exiting Collateral Agent (not in its individual capacity but solely in its capacity as "Collateral Agent" under and as defined in the Original Credit Agreement and the Original Security Documents) in and to the Remaining Collateral (including, without limitation, the Collateral) and the resignation of the Exiting Collateral Agent as "Collateral Agent" under and as defined in the Original Credit Agreement and the Original Security Documents.

(5) It is a condition precedent to (i) the making of any Advances by the Lenders under the Credit Agreement and the issuance by the LC Banks of Letters of Credit and (ii) the purchase by the Noteholders of the Notes to be issued on the Closing Date that the Grantor shall have entered into this Agreement in order (A) to confirm, amend and restate the assignment of, security interest on and pledge of the Remaining Collateral under the Original Credit Agreement on the terms and conditions hereof and (B) to amend and restate the Original Pledge Agreement on the terms and conditions hereof.

NOW, THEREFORE, in consideration of the premises and in order to induce (i) the Lenders to make Advances and the LC Banks to issue Letters of Credit and (ii) the Noteholders to purchase the Notes to be issued on the Closing Date, the Grantor hereby agrees with the Collateral Agent for the benefit of the Administrative Agent, the Sub-Agent, the Lenders, the LC Banks, the Trustee, the Noteholders and the Collateral Agent (collectively, the "*Secured Parties*") as follows:

SECTION 1. Definitions. Unless otherwise defined herein, capitalized terms used herein shall have the meaning assigned to such terms in the Security Agreement.

SECTION 2. Pledge, Assignment and Grant of Security. The Grantor hereby assigns and pledges to the Collateral Agent for the benefit of the Secured Parties, and hereby grants to the Collateral Agent for the benefit of the Secured Parties, a security interest in, and lien on, all of the Grantor's right, title and interest in and to the following, whether now owned or hereafter acquired (the "*Collateral*"):

(a) all of the United States (“*US*”) and foreign trademarks, service marks and trade names now held or hereafter acquired by the Grantor (“*Marks*”), including any registration of any Marks, or the equivalent thereof, in any foreign country, in the US Patent and Trademark Office and any trade dress including logos or designs used by the Grantor in the US or any foreign country.

SECTION 3. Security for Obligations. This Agreement secures the Secured Obligations. Without limiting the generality of the foregoing, this Agreement also secures the payment of all amounts that constitute part of the Secured Obligations and would be owed by the Borrower to the Secured Parties but for the fact that they are unenforceable or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving the Borrower.

SECTION 4. Representations and Warranties. The Grantor represents and warrants as follows:

(a) The Grantor is the legal and beneficial owner of, and has good and marketable title to, the Collateral free and clear of any Security Interest. Other than the Security Interest granted to the Collateral Agent herein, the Grantor has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed any of the Collateral. No effective financing statement or other document similar in effect covering all or any part of the Collateral is on file in any recording office, except such as may have been filed in favor of the Collateral Agent relating to this Agreement or in favor of the Existing Collateral Agent relating to the Original Pledge Agreement. The Grantor has no trade name.

(b) This Agreement creates a valid, first priority security interest in the Collateral in favor of the Collateral Agent, securing the payment of the Secured Obligations, and the Grantor has effected the filing of all appropriate financing statements in the proper filing office in the appropriate jurisdictions under applicable law and performed all other actions necessary or desirable to perfect and protect such security interest (resulting in such security interest being a perfected first priority security interest).

(c) No consent of any other Person and no Governmental Approval is required (i) for the grant by the Grantor of the pledge granted hereby or for the execution, delivery or performance of this Agreement by the Grantor, (ii) for the validity, perfection or maintenance of the pledge created hereby (including the first priority nature thereof) or (iii) for the exercise by the Collateral Agent of the rights provided for in this Agreement or the remedies in respect of the Collateral pursuant to this Agreement, except, in the case of such perfection, for such filings as have been duly made and, in the case of the maintenance of such perfection, for the filing of continuation statements under the Uniform Commercial Code of Delaware.

SECTION 5. Further Assurances.

(a) The Grantor agrees that from time to time, at its expense, the Grantor will promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, or that the Collateral Agent may reasonably request, in order to perfect and protect any pledge granted or purported to be granted hereby or to enable the Collateral Agent to exercise and enforce its rights and remedies hereunder with respect to any

Collateral. Without limiting the generality of the foregoing, the Grantor will execute and file, with a copy thereof to the Collateral Agent, such financing or continuation statements, or amendments thereto, and such other instruments or notices, as may be necessary, or as the Collateral Agent may reasonably request, in order to perfect and preserve the pledge granted or purported to be granted hereby.

(b) The Grantor hereby authorizes the Collateral Agent to file one or more financing or continuation statements, and amendments thereto, in each case, as directed by the Administrative Agent or the Trustee, relating to all or any part of the Collateral. A photocopy or other reproduction of this Agreement or any security agreement or financing statement covering the Collateral or any part thereof shall be sufficient as a financing statement where permitted by law.

(c) The Grantor will furnish to the Collateral Agent from time to time such statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as the Collateral Agent shall, at the written direction of the Administrative Agent or the Trustee, reasonably request, all in reasonable detail, and will notify the Collateral Agent within five days of the opening or creation of any balances, credits, deposits or accounts held in the name of the Grantor on behalf of the Grantor.

(d) The Grantor will furnish to the Collateral Agent, promptly upon the request of the Collateral Agent made at the written direction of the Administrative Agent or the Trustee (but not more often than annually), an opinion of counsel acceptable to the Collateral Agent to the effect that all financing or continuation statements have been filed, and all other action has been taken, to perfect and validate continuously from the Closing Date the security interests granted hereby.

SECTION 6. As to Marks.

(a) ***Additional Representations and Warranties.*** The Grantor represents and warrants that it is the true and lawful owner of or otherwise has the right to use the Marks listed in Schedule 1 hereto and that said listed Marks include all US Marks and applications for registrations of US Marks in the Patent and Trademark Office that the Grantor owns or uses in connection with its business as of the date hereof and that said registrations are valid, subsisting and have not been canceled. The Grantor represents and warrants that it owns, is licensed to use or otherwise has the right to use all material Marks that it uses. The Grantor further warrants that it is aware of no third-party claim that any aspect of the Grantor's present or contemplated business operations infringes or will infringe any trademark, service mark or trade name. The Grantor represents and warrants that it is the true and lawful owner of or otherwise has the right to use all US trademark registrations and applications listed in Schedule 1 and that said registrations are valid, subsisting, have not been canceled and that the Grantor is not aware of any third-party claim that any of said registrations is invalid or unenforceable, or is not aware that there is any reason that any of said registrations is invalid or unenforceable, or is not aware that there is any reason that any of said applications will not pass to registration. The Grantor hereby grants to the Collateral Agent an absolute power of attorney to sign (as directed in writing by the Administrative Agent or the Trustee), upon the occurrence and during the continuance of an Event of Default, any document that may be required by US Patent and Trademark Office in

order to effect an absolute assignment of all right, title and interest of the Grantor in each Mark, and record the same.

(b) ***Licenses and Assignments.*** Except as otherwise permitted by the Financing Documents or this Agreement, the Grantor hereby agrees not to divest itself of any right under any Mark absent prior written approval of the Collateral Agent.

(c) ***Infringements.*** The Grantor agrees, promptly upon learning thereof, to notify the Collateral Agent in writing of the name and address of, and to furnish such pertinent information that may be available with respect to, any party who the Grantor believes is infringing or diluting or otherwise violating in any material respect any of the Grantor's rights in and to any significant Mark, or with respect to any party claiming that the Grantor's use of any significant Mark violates in any material respect any property right of that party. The Grantor further agrees, unless otherwise agreed by the Collateral Agent, to prosecute any Person infringing any significant Mark owned by the Grantor in accordance with reasonable business practices.

(d) ***Preservation of Marks.*** The Grantor agrees to use its significant Marks in interstate commerce during the time in which its Agreement is in effect, sufficiently to preserve such Marks as trademarks or service marks under the laws of the United States.

(e) ***Maintenance of Registration.*** The Grantor shall, at its own expense, diligently process all documents required to maintain trademark registrations, including but not limited to affidavits of use and applications for renewals of registration in the US Patent and Trademark Office for all of its significant registered Marks, and shall pay all fees and disbursements in connection therewith and shall not abandon any such filing of affidavit of use or any such application of renewal prior to the exhaustion of all administrative and judicial remedies without prior written consent of the Collateral Agent.

(f) ***Future Registered Marks.*** If any Mark registration issues hereafter to the Grantor as a result of any application now or hereafter pending before the US Patent and Trademark Office, within 30 days of receipt of such certificate, the Grantor shall deliver to the Collateral Agent a copy of such certificate, and an assignment for security in such Mark, to the Collateral Agent and at the expense of the Grantor, confirming the assignment for security in such Mark to the Collateral Agent hereunder, the form of such security to be substantially the same as the form hereof.

(g) ***Remedies.*** If an Event of Default shall occur and be continuing, the Collateral Agent may (upon the written direction of the Administrative Agent or the Trustee), by written notice to the Grantor, take any or all of the following actions: (i) declare the entire right, title and interest of the Grantor in and to each of the Marks and the goodwill of the business associated therewith, together with all trademark rights and rights of protection to the same, vested in the Collateral Agent for the benefit of the Secured Parties, in which event such rights, title and interest shall immediately vest, in the Collateral Agent for the benefit of the Secured Parties, and the Collateral Agent shall be entitled (upon the written direction of the Administrative Agent or the Trustee) to exercise the power of attorney referred to in Section 6(a) hereof to execute, cause to be acknowledged and notarized and record said absolute assignment

with the applicable agency; (ii) take and use or sell the Marks and the goodwill of the Grantor's business symbolized by the Marks and the right to carry on the business and use the assets of the Grantor in connection with which the Marks have been used; (iii) in connection with the exercise of any of the other remedies provided for in this Agreement or any other Security Document, direct the Grantor to refrain, in which event the Grantor shall refrain, from using the Marks in any manner whatsoever, directly or indirectly, and, if requested by the Collateral Agent upon the written direction of the Administrative Agent or the Trustee, change the Grantor's corporate name to eliminate therefrom any use of any Mark; and (iv) direct the Grantor to execute such other and further documents that the Collateral Agent, upon the written direction of the Administrative Agent or the Trustee, may reasonably request to further confirm the foregoing and to transfer ownership of the Marks and registrations and any pending trademark application in the US Patent and Trademark Office to the Collateral Agent.

SECTION 7. Collateral Agent Appointed Attorney-in-Fact.

The Grantor hereby irrevocably appoints the Collateral Agent the Grantor's attorney-in-fact, with full authority in the place and stead of the Grantor and in the name of the Grantor or otherwise, from time to time in the Collateral Agent's discretion, to take any action and to execute any instrument that the Collateral Agent may deem necessary or advisable to protect its interests in the Collateral, its rights hereunder or accomplish the purposes of this Agreement, including, without limitation, at any time during the continuance of a Default or an Event of Default or in the event that the Collateral Agent, in its discretion, deems such action to be necessary or advisable to protect its interest in the Collateral or its rights hereunder:

(a) to ask, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under or in connection with the Collateral,

(b) to receive, indorse, and collect any drafts or other instruments, documents and chattel paper, in connection therewith, and

(c) to file any claims or take any action or institute any proceedings that the Collateral Agent may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce compliance with the terms and conditions of any Assigned Agreement or the rights of the Collateral Agent with respect to any of the Collateral.

The Collateral Agent shall promptly notify the Grantor of any actions taken by the Collateral Agent pursuant to this Section 7; *provided, however*, that the failure to provide such notice shall not affect the validity or binding effect of any such action.

SECTION 8. Collateral Agent May Perform. If the Grantor fails to perform any agreement contained herein, the Collateral Agent, at the written direction of the Administrative Agent or the Trustee, may itself perform, or cause performance of, such agreement, and the expenses of the Collateral Agent incurred in connection therewith shall be payable by the Grantor under Section 12(b) hereof. The Collateral Agent shall use its best efforts to give prior or contemporaneous notice to the Grantor in connection with the exercise by the Collateral Agent of its rights under this Section 8, provided that the failure to give any such notice shall not limit

the Collateral Agent's right to exercise any such right or expose the Collateral Agent to any liability hereunder.

SECTION 9. *The Collateral Agent's Duties.* The powers conferred on the Collateral Agent hereunder are solely to protect its interest in the Collateral and shall not impose any duty upon it to exercise any such powers. The Collateral Agent shall not have any duties or responsibilities, or be required to exercise any rights or remedies under the Security Documents, except as expressly set forth in the Security Documents and the Collateral Agent shall not be required to take any action against the Collateral on behalf of the Secured Parties other than as provided herein or in the Intercreditor Agreement. Except for the safe custody of any Collateral in its possession and the accounting for moneys actually received by it hereunder, the Collateral Agent shall have no duty as to any Collateral or as to the taking of any necessary steps to preserve rights against prior parties or any other rights pertaining to any Collateral. The Collateral Agent shall be deemed to have exercised reasonable care in the custody and preservation of any Collateral in its possession if such Collateral is accorded treatment substantially equal to that which it accords its own property.

SECTION 10. *Remedies.* If any Event of Default shall have occurred and be continuing, and subject in each case to the applicable provisions of the Intercreditor Agreement:

(a) The Collateral Agent may exercise in respect of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a secured party in default under the NY UCC (whether or not the NY UCC applies to the affected Collateral), and also may (i) require the Grantor to, and the Grantor hereby agrees that it will at its expense and upon request of the Collateral Agent forthwith, assemble all or part of the Collateral as directed by the Collateral Agent and make it available to the Collateral Agent at one or more places to be designated by the Collateral Agent that are reasonably convenient to both parties and (ii) without notice except as specified below, sell the Collateral or any part thereof in one or more parcels at public or private sale, in any commercially reasonable manner that will not require the Collateral, or any part thereof, to be registered in accordance with the Securities Act of 1933, as amended, or the rules and regulations promulgated thereunder, or any other law or regulation, at any of the Collateral Agent's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as the Collateral Agent may deem commercially reasonable. The Grantor agrees that, to the extent notice of sale shall be required by law, at least ten days' notice to the Grantor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. The Collateral Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. The Collateral Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(b) Except as otherwise provided in Section 5 of the Intercreditor Agreement, any cash held by the Collateral Agent as Collateral and all cash proceeds received by the Collateral Agent in respect of any sale of, collection from, or other realization upon all or any part of the Collateral may, at the written direction of the Administrative Agent or the Trustee, be held by the Collateral Agent as collateral for, or then or at any time thereafter, be applied in whole or in part by the Collateral Agent for the benefit of the Secured Parties pursuant to the

Intercreditor Agreement. Any surplus of such cash proceeds held by the Collateral Agent and remaining after payment in full of all Secured Obligations shall be paid over to the Grantor or other person legally entitled thereto.

(c) The Collateral Agent may exercise any and all rights and remedies of the Grantor in respect of the Collateral.

SECTION 11. Indemnity and Expenses.

(a) The Grantor agrees to indemnify and hold harmless the Collateral Agent, its officers, directors, employees, professional advisors and Affiliates from and against any and all claims (including, without limitation, claims by the Secured Parties), losses, damages, expenses and liabilities (including, without limitation, reasonable attorneys' fees and expenses) growing out of or resulting from this Agreement (including, without limitation, enforcement of this Agreement), except claims, losses or liabilities resulting from the Collateral Agent's, or such officer's, director's, employee's, professional advisor's or Affiliate's, gross negligence, bad faith or willful misconduct as determined by a final judgment of a court of competent jurisdiction. No failure on the part of the Collateral Agent to exercise, and no delay in exercising any right hereunder, shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof of any other right.

(b) The Grantor upon demand will pay to the Collateral Agent the amount of any and all reasonable expenses, including the reasonable fees and expenses of its counsel (and any local counsel) and of any experts and agents, which the Collateral Agent may incur in connection with (i) the administration, amendment or modification of this Agreement and (ii) the custody, preservation, use or operation of any of the Collateral.

(c) The Grantor upon demand will pay to the Collateral Agent the amount of any and all expenses, including the fees and expenses of its counsel (and any local counsel) and of any experts and agents, which the Collateral Agent may incur in connection with (i) the exercise or enforcement (whether through negotiations, legal proceedings or otherwise) of any of the rights of the Collateral Agent or the Secured Parties hereunder including, but not limited to, the sale of, collection from, or other realization upon, any of the Collateral or (ii) the failure by the Grantor to perform or observe any of the provisions hereof.

SECTION 12. Amendments, Etc. No amendment or waiver of any provision of this Agreement, and no consent to any departure by the Grantor herefrom, shall in any event be effective unless the same shall be in writing and signed by the Collateral Agent and the Grantor, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

SECTION 13. Addresses for Notices. All notices and other communications provided for hereunder shall be in writing and mailed via registered mail (return receipt requested), telecopied (and promptly confirmed by mail or delivery) or delivered (via courier service), if to the Grantor, at its address at 155 Chestnut Ridge, 2nd Floor, Montvale, NJ, 07645, Attention: Chief Financial Officer, facsimile: 201-690-4836, and if to the Collateral Agent, at its address at 21 South Street, Morristown, NJ 07690, Attention: Paul O'Brien, facsimile: 973-682-4531, or, as

to each party, at such other address as shall be designated by such party in a written notice to the other party. All such notices and communications shall, when mailed, telecopied or delivered, be effective five days after when deposited in the mails, or when telecopied or delivered, respectively, except that notices and communications to the Collateral Agent shall not be effective until received by the Collateral Agent.

SECTION 14. Taxes.

(a) Any and all payments by the Grantor hereunder shall be made free and clear of and without deduction for any and all present or future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto, excluding, in the case of each Secured Party, taxes imposed on its income, and franchise taxes imposed on it, by the jurisdiction under the laws of which such Secured Party is organized or any political subdivision thereof (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities being hereinafter referred to as "**Taxes**"). If the Grantor shall be required by law to deduct any Taxes from or in respect of any sum payable hereunder to any Secured Party, (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 14) such Secured Party (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Grantor shall make such deductions and (iii) the Grantor shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law.

(b) In addition, the Grantor agrees to pay any present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies which arise from any payment made hereunder or from the execution, delivery or registration of, or otherwise with respect to, this Agreement (hereinafter referred to as "**Other Taxes**").

(c) The Grantor will indemnify each Secured Party for the full amount of Taxes or Other Taxes (including, without limitation, any Taxes or Other Taxes imposed by any jurisdiction on amounts payable under this Section 14) paid by such Secured Party and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or legally asserted. A certificate prepared by the Secured Party seeking indemnification under this Section 14(c) setting forth and containing an explanation in reasonable detail the amount of such Taxes or Other Taxes or liability and the manner in which such amount shall have been determined shall, absent manifest error, be final, conclusive and binding for purposes of this Section 14(c). Such indemnification shall be made within 20 days from the date such Secured Party makes written demand therefor and provides the certificate described in the foregoing sentence. Nothing herein shall preclude the right of the Grantor to contest any such Taxes or Other Taxes so paid, and the Secured Parties in question will, following notice from, and at the expense of, the Grantor, take such actions as the Grantor may reasonably request to preserve the Grantor's rights to contest such Taxes or Other Taxes, and, promptly following receipt of any refund of amounts with respect to Taxes or Other Taxes for which such Secured Parties were previously indemnified under this Section 14, pay to the Grantor such refunded amounts (including any interest paid by the relevant taxing authority with respect to such amounts).

(d) Without prejudice to the survival of any other agreements of the Grantor hereunder, the agreements and obligations of the Grantor contained in this Section 14 shall survive the payment in full of the Secured Obligations.

SECTION 15. Severability. The obligations of the Grantor hereunder are independent of the obligations of any other pledgor, guarantor or surety, and a separate action or actions may be brought and prosecuted against the Grantor whether or not action is brought against any other such pledgor, guarantor or surety or the Grantor and whether or not any other such Loan Party or surety is joined in any such action or actions. The Grantor waives, to the fullest extent permitted by law, the benefit of any statute of limitations affecting its liability hereunder or the enforcement thereof.

SECTION 16. Waivers and Acknowledgments.

(a) The Grantor hereby waives (to the fullest extent permitted by applicable law) notice of acceptance of this Agreement and notice of any liability to which it may apply, and waives promptness, diligence, presentment, demand of payment, protest, notice of dishonor or nonpayment of any such liabilities, suit or taking of other action by the Collateral Agent or any other Secured Party against, and any other notice to, the Grantor.

(b) No invalidity, irregularity or unenforceability of all or any part of the Secured Obligations or of any security therefor shall affect, impair or be a defense to this Agreement.

(c) No failure or delay on the part of any Secured Parties in exercising any right, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise thereof or the exercise of any other right, power or privilege under this Agreement. The rights and remedies herein expressly specified are cumulative and not exclusive of any rights or remedies which any Secured Party would otherwise have. No notice to or demand on the Grantor in any case shall entitle the Grantor to any other further notice or demand in similar or other circumstances or constitute a waiver of the rights of any Secured Party to any other or further action in any circumstances without notice or demand.

(d) The Grantor acknowledges that it will receive substantial direct and indirect benefits from the financing arrangements contemplated by the Financing Documents and that the waivers set forth in Section 3 and in this Section 14 are knowingly made in contemplation of such benefits.

(e) All rights of the Collateral Agent and the security interests granted to the Collateral Agent (for its benefit and the ratable benefit of each other Secured Party) hereunder, and all obligations of the Grantor hereunder, shall be absolute, unconditional and irrevocable, irrespective of:

(i) any lack of validity, legality or enforceability of the Financing Documents or any other Security Document;

(ii) the failure of any Secured Party (A) to assert any claim or demand or to enforce any right or remedy against the Grantor or any other Person under the provisions of any Financing Document or otherwise, or (B) to exercise any right or remedy against any guarantor of, or other collateral securing, any Secured Obligations;

(iii) any change in the time, manner or place of payment of, or in any other term of, all or any part of the Secured Obligations or any other extension, compromise or renewal of any Secured Obligations;

(iv) any reduction, limitation, impairment or termination of any Secured Obligations for any reason, including any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to (and the Grantor hereby waives any right to or claim of) any defense or setoff, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality, nongenuineness, irregularity, compromise, unenforceability of, or any other event or occurrence affecting, any Secured Obligations or otherwise;

(v) any amendment to, rescission, waiver, or other modification of, or any consent to or departure from, any of the terms of any Financing Document;

(vi) any addition, exchange, release, surrender or non-perfection of any collateral (including the Collateral), or any amendment to or waiver or release of or addition to, or consent to, or departure from, any guaranty, for any of the Secured Obligations; or

(vii) any other circumstance that might otherwise constitute a defense available to, or a legal or equitable discharge of, the Grantor or any surety.

SECTION 17. Subrogation. The Grantor hereby unconditionally and irrevocably agrees not to exercise any rights that it may now have or may hereafter acquire against the Grantor, any other pledgor, guarantor or surety of the Grantor that arise from the existence, payment, performance or enforcement of the Grantor's obligations under or in respect of this Agreement or any other Financing Document, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of any Secured Party against any other such pledgor, guarantor or surety or any Collateral, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including, without limitation, the right to take or receive from any other such pledgor, guarantor or surety, directly or indirectly, in cash or other property or by setoff or in any other manner, payment or security on account of such claim, remedy or right, unless and until such time as all of the Secured Obligations and all other amounts payable under this Agreement shall have been paid in full in cash, the Indenture shall have been satisfied and discharged in accordance with all its terms and the commitments under the Credit Agreement shall have expired or been terminated. If any amount shall be paid to the Grantor in violation of the immediately preceding sentence at any time prior to the later of (i) the payment in full in cash of all Secured Obligations and all other amounts payable under this Agreement, (ii) the satisfaction and discharge of the Indenture in accordance with its terms, (iii) the maturity date of the Credit Agreement and (iv) the expiration or termination of all Letters of Credit, such amount shall be

received and held in trust for the benefit of the Secured Parties, shall be segregated from other property and funds of the Grantor and shall forthwith be delivered to the Collateral Agent in the same form as so received (with any necessary endorsement or assignment) to be credited and applied to the Secured Obligations and all other amount payable under this Agreement, whether matured or unmatured, in accordance with the terms of the Financing Documents, or to be held as Collateral for any Secured Obligations or the other amounts payable under this Agreement thereafter arising.

SECTION 18. Continuing Security Interest; Termination.

(a) This Agreement shall create a continuing security interest in the Collateral and shall (i) remain in full force and effect until the payment in full of the Secured Obligations, the satisfaction and discharge of the Indenture in accordance with its terms and the expiration or termination of the commitments under the Credit Agreement, (ii) be binding upon the Grantor, its successors and assigns, provided, that the Grantor may not transfer or assign any or all of its rights or obligations hereunder without the prior written consent of the Collateral Agent, and (iii) inure to the benefit of, and be enforceable by, the Collateral Agent, the other Secured Parties (subject to the provisions of Section 6.03 of the Intercreditor Agreement) and their respective successors, transferees and assigns. Without limiting the generality of the foregoing clause (iii), any Secured Party may assign or otherwise transfer all or any portion of its rights in the Secured Obligations to the extent and in the manner provided in the relevant Financing Documents, and such assignee shall thereupon become vested with all the benefits in respect thereof granted to such Secured Party herein or otherwise. Upon the payment in full of the Secured Obligations, the satisfaction and discharge of the Indenture in accordance with its terms and the expiration or termination of the commitments under the Credit Agreement, the security interest granted hereby shall terminate and all rights to the Collateral shall revert to the Grantor or other person legally entitled thereto. Upon any such termination, the Collateral Agent will, at the Grantor's expense, execute and deliver to the Grantor such documents and take such other actions as the Grantor shall reasonably request to evidence such termination.

(b) Upon any sale, transfer or other disposition of any item of Collateral pledged by the Grantor in accordance with the terms of the Financing Documents the Collateral Agent will, at the Grantor's expense, execute and deliver to the Grantor such documents as the Grantor shall reasonably request to evidence the release of such item of Collateral from the assignment and security interest granted hereby; *provided, however*, that (i) at the time of such request and such release no Event of Default or event that, with the giving of notice or the passage of time, or both, would constitute an Event of Default shall have occurred and be continuing, (ii) the Grantor shall have delivered to the Collateral Agent, at least ten Business Days prior to the date of the proposed release, a written request for release describing the item of Collateral and the terms of the sale, lease, transfer or other disposition in reasonable detail, including the price thereof and any expenses in connection therewith, together with a form of release for execution by the Collateral Agent and a certification by the Grantor to the effect that the transaction is in compliance with the Financing Documents and as to such other matters as the Collateral Agent may request and (iii) the proceeds of any such sale, lease, transfer or other disposition required to be applied in accordance with the Financing Documents shall be paid to, or in accordance with the instructions of, the Collateral Agent at the closing.

SECTION 19. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, except to the extent that the validity or perfection of the security interest hereunder, or remedies hereunder, in respect of any particular Collateral are governed by the laws of a jurisdiction other than the State of New York.

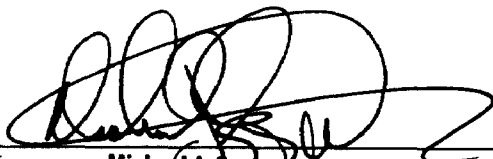
SECTION 20. Incorporation by Reference. Any provisions of the Financing Documents (together with definitions as used therein and the ancillary provisions related thereto) that are incorporated by reference herein shall be incorporated herein, *mutatis mutandis*, and following the payment of all Secured Obligations, references therein to any Secured Party or one or more Secured Parties shall be deemed herein to be references to the Collateral Agent.

SECTION 21. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

[Signature Pages to Follow]


IN WITNESS WHEREOF, the Grantor has caused this Agreement to be duly executed and delivered by its officer thereunto duly authorized as of the date first above written.

AMERICAN REF-FUEL COMPANY,
as Grantor

By 
Name: **Michael J. Gruppiso**
Title: **Vice President
Chief Financial Officer**

Agreed and Accepted:

WACHOVIA BANK, NATIONAL
ASSOCIATION,
as Collateral Agent

By 
Name:
Title: **PAUL O'BRIEN**
Assistant Vice President

SCHEDULE 1

TRADEMARKS OF AMERICAN REF-FUEL COMPANY

American Ref-Fuel Company

AMENDED AND RESTATED PLEDGE AGREEMENT

Dated as of May 1, 2003

between

AMERICAN REF-FUEL COMPANY,
as Grantor

and

WACHOVIA BANK, NATIONAL ASSOCIATION,
as Collateral Agent

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